

130000674

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER
VGOB 06-0919-1714

ELECTIONS: UNIT BG-98
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on June 19, 2007 which was recorded at Document 070002329 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on June 21, 2007, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit BG-98;

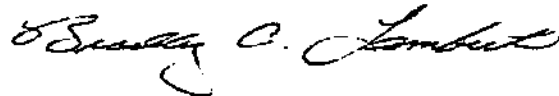
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company, 38 E. Valley Drive, Bristol, VA 24201, Attn: Debbie Davis or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED,**

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 29 day of March, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 29 day of March, 2013 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 29th day of March, 2013 personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.


Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2013



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit BG-98
VGOB 06-0919-1714 in the Hurricane District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING
ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Land Resources, Inc., as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on June 19, 2007, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on June 21, 2007;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

Carson D. Austin - Carried Operator

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of June 19, 2007;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be added or dismissed as Respondents:

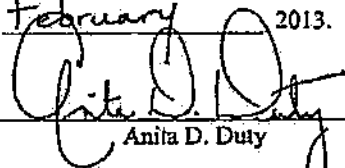
None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

See attached Exhibit EE

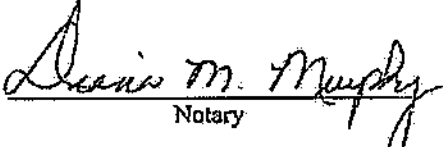
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 27th day of February, 2013.

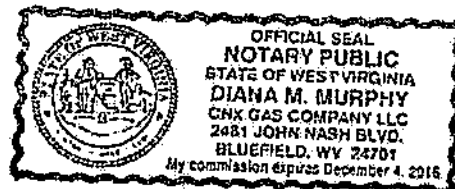

Anita D. Duty

STATE OF WEST VIRGINIA
COUNTY OF MERCER

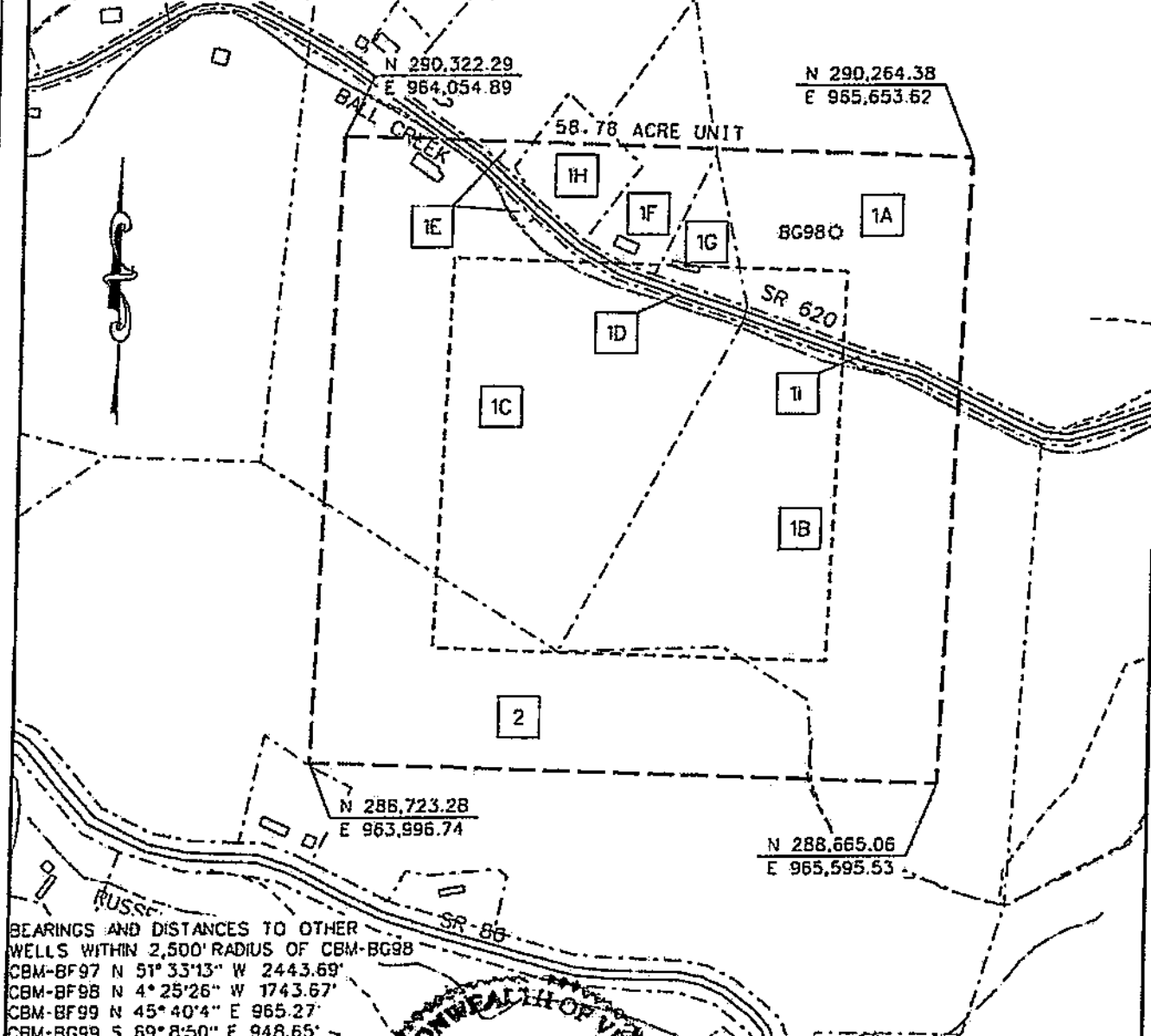
Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land Resources, Inc., on behalf of the corporate Designated Operator, this 27th day of February, 2013.


Notary

My commission expires: Dec. 4, 2016



Property lines shown on this plot were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.



- CBM WELL
- ⊙ PROPOSED CBM WELL

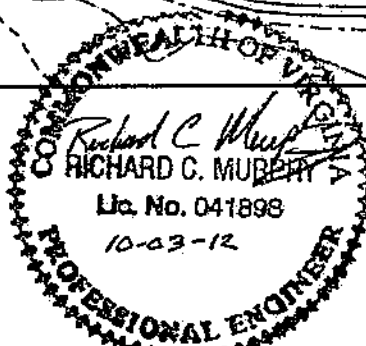


EXHIBIT A
NORA FIELD
UNIT BG98
FORCE POOLING
VGOB-06-0919-1714

Company CNX Gas Company LLC Well Name and Number UNIT BG98
Tract No. _____ Elevation _____ Quadrangle BIG A MOUNTAIN
County BUCHANAN District HURRICANE Scale: 1" = 400' Date _____
This plat is a new plat X ; an updated plat _____ ; or a final plat _____

Form DCO-GO-7
Rev. 9/91

Richard C. Murphy (Affix Seal)
Licensed Professional Engineer or Licensed Land Surveyor

CNX Gas Company LLC

UNIT BG-98

**Tract Identifications
(58.78 Acre Unit)**

- 1A. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – Surface, Oil and Gas
Harrison-Wyatt, LLC (50%)/CNX Gas Company LLC (50%) – CBM
CNX Gas Company LLC – CBM Leased (50%)
6.56 acres 11.1603%
- 1B. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Carson D. Austin – Surface, Oil and Gas
16.34 acres 27.7986%
- 1C. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
Joyce Mitchell – Surface, Oil and Gas
Joyce Mitchell (50%)/Harrison-Wyatt, LLC – CBM (50%)
CNX Gas Company LLC – Oil, Gas and CBM Leased
19.46 acres 33.1065%
- 1D. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
Ruby Mitchell Heirs, et al OR Commonwealth of Virginia – Oil and Gas
Ruby Mitchell Heirs, et al (50%)/Harrison-Wyatt, LLC – CBM (50%) (If Ruby Mitchell Heirs, et al)
CNX Gas Company LLC – Oil, Gas and CBM Leased (If Ruby Mitchell Heirs, et al)
Commonwealth of Virginia – Surface
0.86 acres 1.4631%
- 1E. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
DeShannon Barton – Surface, Oil and Gas
DeShannon Barton (50%)/Harrison-Wyatt, LLC – CBM (50%)
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.22 acres 0.3743%
- 1F. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
Avery Barton, et ux – Surface, Oil and Gas
Avery Barton, et ux (50%)/Harrison-Wyatt, LLC – CBM (50%)
CNX Gas Company LLC – Oil, Gas and CBM Leased
1.33 acres 2.2627%
- 1G. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCO Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
Joyce Mitchell – Surface, Oil and Gas
Joyce Mitchell (50%) / Harrison-Wyatt, LLC – CBM (50%)
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.98 acres 1.6672%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

CNX Gas Company LLC

UNIT BG-98

Tract Identifications

(58.78 Acre Unit)

- 1H. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCG Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
Zackory Barton, et ux – Surface, Oil and Gas
Zackory Barton, et ux (50%)/Harrison-Wyatt, LLC – CBM (50%)
CNX Gas Company LLC – Oil, Gas and CBM Leased
1.11 acres 1.8884%
- 1I. Harrison-Wyatt, LLC, Oxy Tr. 11-3, ICCG Tr. 823 (416.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC OR Commonwealth of Virginia – Oil and Gas
Harrison-Wyatt, LLC (50%)/CNX Gas Company LLC (50%) – CBM (If CNX Gas Company LLC)
CNX Gas Company LLC – CBM Leased (50%) (If CNX Gas Company LLC)
Commonwealth of Virginia – Surface
0.59 acres 1.0037%
2. Harrison-Wyatt, LLC, Oxy Tr. 7, ICCG Tr. 826 (951.00 Acre Tract) – Coal
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Logan Hale, et ux – Surface, Oil and Gas
Range Resources-Appalachia, LLC – Oil, Gas and CBM Leased
11.33 acres 19.2753%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

Exhibit B-3
Unit BG-98
Docket #VGOB 08-0919-1714
List of all Unleased Owners/Claimants

	Acres in Unit	Percent of Unit	Ejection
II. OIL & GAS OWNERSHIP			
<u>Tract #1B - 16.34 acres</u>			
(1) Carson D. Austin 1059 Austin Bison Ranch Rd. Honaker, VA 24260	16.34 acres	27.7986%	Carried Operator
<u>Tract #2 - 11.33 acres</u>			
(1) Logan Hale, et ux HC4 Box 935 Council, VA 24260	11.33 acres	19.2753%	Deemed Leased

Exhibit E
Unit BG-98
Docket #VGOB 06-0919-1714
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
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Tract #1B - 16.34 acres

COAL OWNERSHIP

(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCG Tr. 82 P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	16.34 acres	27.7986%
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OIL & GAS OWNERSHIP

(1) Carson D. Austin 1099 Austin Bison Ranch Rd. Honaker, VA 24260	16.34 acres	27.7986%
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Tract #1D - 0.86 acres

Escrow due to Title Conflict

COAL OWNERSHIP

(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCG Tr. 82 P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	0.86 acres	1.4631%
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OIL & GAS OWNERSHIP

(1) Ruby Mitchell Heirs, Devisees, Successors or Assigns, et al	0.86 acres	1.4631%
(a) Mildred Baldwin 1703 Old Grissom Creek Rd. Honaker, VA 24260	0.29 acres 1/3 of 0.86 acres	0.4877%
(b) Deshannon Barton 1767 Old Grissom Creek Rd. Honaker, VA 24260	0.29 acres 1/3 of 0.86 acres	0.4877%
(c) Philip Wilson 121 Woodland Dr. Lebanon, VA 24266	0.29 acres 1/3 of 0.86 acres	0.4877%

- OR -

(1) Commonwealth of Virginia Department of Transportation 870 Bonham Road Bristol, VA 24201-2002	0.86 acres	1.4631%
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Tract #1I - 0.59 acres

Escrow due to Title Conflict

COAL OWNERSHIP

(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCG Tr. 82 P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	0.59 acres	1.0037%
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OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 2481 John Nesh Blvd. Bluefield, WV 24701	0.59 acres	1.0037%
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Exhibit E
Unit BG-98
Docket #VGOB 06-0919-1714
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
- OR -		
(1) Commonwealth of Virginia Department of Transportation 870 Bonham Road Bristol, VA 24201-2002	0.58 acres	1.0037%
<u>Tract #2 - 11.33 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 7, ICCO Tr. 826) P.O. Box 11000 Danville, VA 24543 (951 Acre Tract)	11.33 acres	19.2753%
<u>OIL & GAS OWNERSHIP</u>		
(1) Logan Hale, et ux HC4 Box 935 Council, VA 24260	11.33 acres	19.2753%

Exhibit EE
Unit BG-98
Docket #VGOB 06-0919-1714
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #1A - 6.56 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCO Tr. 82; P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	6.56 acres	11.1603%
<u>OIL & GAS OWNERSHIP</u>		
(1) CNX Gas Company LLC 2481 John Nash Blvd. Bluefield, WV 24701	6.56 acres	11.1603%
<u>Tract #1C - 19.46 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCO Tr. 82; P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	19.46 acres	33.1065%
<u>OIL & GAS OWNERSHIP</u>		
(1) Joyce B. Mitchell, widow Rt.2 Box 450B Honaker, VA 24260 (previously Harold Mitchell, et ux)	19.46 acres	33.1065%
<u>Tract #1E - 0.22 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCO Tr. 82; P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	0.22 acres	0.3743%
<u>OIL & GAS OWNERSHIP</u>		
(1) Deshannon Barton 1767 Old Grissom Creek Rd. Honaker, VA 24260 (previously Ruby Mitchell)	0.22 acres	0.3743%
<u>Tract #1F - 1.33 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCO Tr. 82; P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	1.33 acres	2.2627%
<u>OIL & GAS OWNERSHIP</u>		
(1) Avery Barton, et ux 1859 Old Grissom Creek Rd. Honaker, VA 24649	1.33 acres	2.2627%

Exhibit EE
Unit BG-98
Docket #VGOB 06-0919-1714
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres In Unit	Percent of Unit
<u>Tract #1G - 0.98 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCO Tr. 82; P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	0.98 acres	1.8872%
<u>OIL & GAS OWNERSHIP</u>		
(1) Joyce B. Mitchell, widow Rt.2 Box 450B Honaker, VA 24260 (previously Harold Mitchell, et ux)	0.98 acres	1.8872%
<u>Tract #1H - 1.11 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Oxy Tr. 11-3, ICCO Tr. 82; P.O. Box 11000 Danville, VA 24543 (416 Acre Tract)	1.11 acres	1.8884%
<u>OIL & GAS OWNERSHIP</u>		
(1) Zackory Barton, et ux. RL2 Box 451 Honaker, VA 24260	1.11 acres	1.8884%

INSTRUMENT #130000674
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
APRIL 23, 2013 AT 02:00PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB